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SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
Dairy Division

Market Administrator
116 South William Street
P. O. Box 216
South Bend 24, Indiana

Issued For Information of Producers
Who Are Not Members of Cooperative Associations

Vol. II, No. 9

September 1958

AUGUST UNIFORM PRICE \$3.81

Dairy farmers will receive a uniform price of \$3.81 for August 1958 deliveries of Grade A milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order. The uniform price is based upon a butterfat test of 3.5 percent and will be adjusted by a differential of 7.0 cents for each one tenth percent that tests vary above or below the 3.5 percent standard. This minimum price is subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charge.

PRODUCER RECEIPTS

The statistics on producer receipts are not comparable with previous months in this market, because of a change in the marketing area. In August there were 1311 producers, as compared with 991 in July. This is an increase of 320 producers on the market because of the extended marketing area. Actually there were more than 320 new producers on the market because some 100 producers that were on in July have transferred to the Chicago market, due to amendments to the South Bend-LaPorte-Elkhart, Indiana, Order. Daily herd production is considerably lower than in July or August a year ago, but is not a correct comparison because it represents a partially different group of producers.

CLASS I SALES

There were almost sixteen million pounds of Class I sales reported under the new marketing area, which includes the whole counties of LaPorte, St. Joseph and Elkhart. The former marketing area included just the cities of South Bend, Mishawaka, LaPorte, and Michigan City. The increase is 47 percent over July and almost 31 percent over August of 1957. A comparison of these statistics with former months and years will be of little value until a yearly record has been established under the amended order with the extended marketing area.

CLASS I PRICE

The Class I price for the September delivery period will be \$4.02 per hundredweight for 3.5 percent Grade A milk. This price was computed by adding \$1.30 per hundredweight to the average price of the 12 condenseries in August (\$2.96) and deducting the supply-demand adjustment of 24 cents. The supply-demand adjustment for the October delivery period will be only a minus 2 cents, which will have an effect of raising the Class I price 22 cents.

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UTILIZATION AND CLASSIFICATION OF MILK

	August 1958 Reported Data		August 1957 Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
CLASS I				
Milk	13,868,673	495,502	10,088,562	357,454
Skim Milk	114,572	164	100,210	63
Fortified Skim Milk	1,048,486	20,209	1,135,820	22,703
Buttermilk	187,840	1,568	231,693	1,621
Flavored Milk & Drink	322,658	8,539	286,591	7,719
Cereal Mixture	295,369	36,621	273,423	33,032
Coffee Cream	33,791	6,668	20,648	4,212
Whipping Cream	35,956	13,293	18,385	6,244
Sour Cream	18,577	3,664	16,081	3,100
Total Class I Utilization	15,925,922	586,228	12,171,413	436,148
Add: Class I Shrinkage	135,960	7,366	96,939	4,642
Subtract: Other Source Receipts	54,842	2,407	1,905	375
Subtract: Overage	16,819	--	--	--
Net Class I	15,990,221	591,187	12,266,447	440,415
CLASS II				
Used to Produce Cottage Cheese	1,358,994	24,953	1,387,043	22,892
Subtract: Other Source Receipts	1,101	177	426	160
Subtract: Overage	--	--	--	--
Net Class II	1,357,893	24,776	1,386,617	22,732
CLASS III				
Class III Products	4,648,194	208,156	3,234,114	153,104
Inventory Variation	317,187	15,348	(307,085)	(9,646)
Total Class III Utilization	4,965,381	223,504	2,927,029	143,458
Add: Class III Shrinkage	189,830	9,973	211,366	10,197
Subtract: Other Source Receipts	2,607,154	113,527	113,723	13,769
Subtract: Overage	21,859	29	34	34
Net Class III	2,526,198	119,921	3,024,638	139,852
TOTAL PRODUCER RECEIPTS	19,874,312	735,884	16,677,702	602,999

MISCELLANEOUS INFORMATION

	August 1958	July 1958	August 1957
Total Production	19,874,312#	16,827,572#	16,677,702#
Average Daily Production	641,107#	542,825#	537,990#
August 1958 Prod. Compared With -	--	✓ 18.11%	✓ 19.17%
Number of Producers	1,311	991	1,058
Daily Herd Production	489#	548#	508#
Av. Test of Producer Milk Received	3.70269%	3.60716%	3.61560%
Av. Price 3.5% Milk	\$ 3.81	\$ 3.40*	\$ 3.88
Base Price 3.5% Milk	\$ --	\$ 3.49	\$ --
Excess Price 3.5% Milk	\$ --	\$ 2.92	\$ --
Chicago 92 Score Butter	\$.58137	\$.57750	\$.59597
Class I Sales	15,925,922#	10,819,675#	12,171,413#
Class I Daily Average	513,739#	349,022#	392,626#
August 1958 Sales Compared With -	--	✓ 47.19%	✓ 30.85%
Total Value Paid Producers	\$785,409.42	\$585,427.69	\$661,139.56
Av. Monthly Milk Check Per Farm	\$ 599.09	\$ 590.74	\$ 624.90
Av. Daily Milk Check Per Farm	\$ 19.33	\$ 19.06	\$ 20.16
Producer Butterfat Differential	\$.070	\$.069	\$.072

* Weighted Average of Base Price and Excess Price

